

4-Budget Committee Minutes 01/04/2007

Hopkinton Budget Committee Final Minutes January 4, 2007

Present: Karen Irwin, Chair, Jane Bradstreet, Patrice Gerseny, Barbara Unger, Danny Coen, David Lancaster, Bob Carpenter - PlaceNameContoocook PlaceTypeVillage Precinct Representative, Tom O'Donnell - PlaceNameplaceHopkinton PlaceTypeVillage Precinct Representative, Marshall Rowe - School Board Representative, Peter Russell - Selectmen Representative

Chair Irwin opened the meeting at 6:35 pm with a review of the minutes of the meeting 11-30-06. Peter Russell moved to accept, seconded by Patrice Gerseny. All were in favor, the minutes were accepted.

Chair Irwin began with an overview of the progress being made on the budgets for the 2007/2008 FY. Chair Irwin would like the committee to concentrate on any line items where the amount of increase is greater than the increase 3.8% recommended by this committee. More in depth discussions will take place at future Budget meetings.

- School** – The Fourth Draft of the Hopkinton School District 2007 – 2008 Budget Information booklet was passed out to the members for their review. For January 10th Chair Irwin would like the School Board to address line items in particular.

- Library** – Elizabeth Levy presented the proposed budget of the Library Trustees. She highlighted some of the information contained in the pages she handed out that concerned increases and fielded questions from the committee, parts of the presentation that pose particular concern are: 1) Accepting a contract without getting competitive bids - Ms. Levy identified a \$7,000.00+ transfer from the town to the library to cover custodial duties. The custodial duties involved concern snow removal and lawn maintenance and general building cleaning. Danny Coen expressed concern that the town has a Buildings and Grounds department to handle these duties. 2) The Library Trust Foundation - Ms. Levy and Mr. Rowe explained the Fund purchases and donates items/goods above and beyond what materials are needed to maintain the library no cash is given. The Trustees do not put in requests for goods. 3) Warrant articles – capitol improvement program to replace and paint worn out items such as boiler, carpet, pavers, technology, shingles, roof, etc. 4) Revenue generating funds - Library photocopies, overdue fines and the trust fund. David Lancaster questioned whether the library should go to mandatory overdue fines rather than voluntary fines. Ms. Levy believed it would come out about equal. Currently someone would drop in a dollar or two for a book that is overdue just a day or so and a mandatory fine would be significantly less.

- Hopkinton PlaceTypeVillage and PlaceNameplaceContoocook PlaceTypeVillage Precincts** - The precincts will have their information by January 10th.

- Town** – The Selectmen have voted on a budget of \$5,921,780 which includes all warrants and the library. The town Finance Director expects the big binder to be ready the middle of next week and each member will be called to come to the Town Hall to pick it up. Peter Russell explained the usual budget process as Step 1 is to set the Tax rate, Step 2 is to build a budget around the tax rate. They have control over expenditures and have a good handle on revenues. Mr. Russell explained that overall revenues have increased and would offset any bottom line increase. He handed out the Selectmen's policy for spending any surplus money. The goal of the selectmen is to maintain a level tax rate. They would like to spend \$200,000 to offset any tax increase and the difference between that amount and 5% of the surplus be used to pay down long term debt payment on an annual basis.

Chair Irwin explained that errata adjustments can be made by the committee after it accepts a proposed budget. If any adjustment is needed, it is based on public comments and any revenue source changes after the Public Hearing during the deliberative sessions. Chair Irwin will investigate the process needed should an increase in a budget be needed. The first deliberative session is scheduled for January 31. The second session is scheduled for February 7th, after the petition for warrant articles which is February 6th,

Chair Irwin would like to prepare a letter to the town residents informing them of what this board has been doing for the Town Report. She asked for input from the committee and will forward a draft to them. Barbara Unger suggested the letter also appear in Town Lines.

Mr. Russell inquired what information would be given out at the Public Hearing. Chair Irwin stated that she intended that any handout be an overview and just one or two pages front and back. Chair Irwin would like to highlight policies of the town. She would like to see fiscal and operational policies for all departments. She asked for town policies concerning debt payment, fund use and assessment functions and the school for their policies concerning student to teacher ratio, the SAU policy on hiring teachers and the establishment of positions. The Public Hearing on the 24th will have everyone sitting up front with nameplates.

Ms. Gerseny indicated she was being asked questions about the placePlaceNameSlusser PlaceNameSenior PlaceTypeCenter budget. Mr. Russell explained that the information could be found in the Recreation Budget and Building and Grounds Budget. The committee agreed that it should be consolidated and be by itself for the Public Hearing.

This provided a starting point of a discussion concerning where individual department budget information can be found in the budget. Ms. Unger explained that six or seven years ago the town had budgets that had separated budget like the senior center request for this year. Mr. Carpenter explained that with the consolidation of services the individual budgets no longer reflected a separation of services. To identify the financial responsibility of each department accurately in the budgets would be an accounting procedure change and accept the associated costs to start it up.

Mr. Coen would like accountability by the town when the public votes for one amount and an increase is required. He gave an example of the overspent legal fund for the last three years.

Public Comment –

- Joan Flood commented on the lack of competitive bids for the library snow removal and lawn maintenance. Mr. Russell and Ms. Bradstreet explained the Legislature created the library trustees. The library budget does fall under the Town section in the budget process but the selectmen have no authority over their budget but the Budget Committee does.

- Beth Bloomquist stated she had been a trustee of the library foundation and that it gives what it wants and the library doesn't make requests. The library has no control over the amount available/given to them from the Trust Fund.

- Diane LaChance echoed support for Mr. Carpenter and revising the accounting procedure.

Other Information

Mr. Rowe advised that on January 16 the School Board will have a public hearing at placePlaceNameMaple PlaceNameStreet PlaceTypeSchool. At 6:30 pm will be a formal bond hearing concerning refinancing the current bond to a lower interest rate, it will not

affect the term. By lowering the interest rate the majority savings will be reflected the first year. At 7:00 pm there will be a Budget Forum to present the School Budget; this was a request from the Taxpayers Association. The School Budget has state mandated increases of \$600,000 +/- which happen to be offset by increased revenues. The revenues are not related at all to the mandates, it is just a coincidence.

The meeting was adjourned at 8:05 pm.

Respectfully Submitted,

Beth Clark, Secretary